



**MIDTERM EVALUATION OF THE NONGOVERNMENTAL ORGANIZATIONS
COMPONENT OF THE COCHABAMBA REGIONAL DEVELOPMENT PROJECT**

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for
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SECTION I

INTRODUCTION

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LIST OF ACRONYMS

| | |
|------------------|---|
| ASTEC | Asistencia Técnica Para el Desarrollo de Proyectos Agrícolas |
| CADIA | Centro de Asesoramiento en Desarrollo Integral Agropecuario |
| CEPROCA | Centro de Promoción Campesina |
| CESAT | Centro de Servicio y Asistencia a la Producción Triguera |
| CORDEP | Cochabamba Regional Development Project |
| CORDECO | Corporación de Desarrollo de Cochabamba |
| DAI | Development Alternatives |
| EOPS | End of Project Status |
| INCCA | Instituto de Capacitación Campesina |
| INDASA | Instituto Nacional de Desarrollo Agropecuario Social y Artesanal |
| INDRI | Instituto Nacional de Desarrollo Rural Integrado |
| INSODEC | Instituto de Solidaridad y Desarrollo Comunitario |
| IVS | International Voluntary Service |
| IPDP | Integrated Product Development Plans |
| NGO | Nongovernmental Organization |
| PAAC | Programa de Asistencia Agrobionergetica al Campesino |
| PA | Planning Assistance |
| PDAR | Proyecto de Desarrollo Alternativo Regional |
| RFP | Request for Proposal |
| SERVIAGRO | Servicios Integrales Agropecuarios |
| SIATA | Servicio Integral de Asistencia Técnica Agropecuaria |
| SNC | Servicio Nacional de Caminos |
| UNIBAMBA | Unión de Instituciones de Cochabamba |
| UNABANA | Unión de Asociaciones de Productores de Banana |
| USAID | United States Agency for International Development |

EXECUTIVE SUMMARY

This report contains the mid-life (20 months) evaluation of the nongovernmental organizations (NGO) component of the Cochabamba Regional Development Project (CORDEP) being implemented by Planning Assistance (PA). CORDEP is a US\$ 80 million, five-year (1992-1997) project to develop alternative employment to coca-growing and cocaine processing. CORDEP is a complex project with multiple components and multiple implementing institutions.

On 11 December 1991, USAID/Bolivia and PA signed Cooperative Agreement No. 511-0617-A-00-2036-00 for the implementation of the NGO component of the CORDEP project. The Cooperative Agreement covers the period December 1st, 1991 through November 30, 1994. The total estimated amount of the CA for the period is \$7,745,531.

The goal of the cooperative agreement is to develop alternative employment to coca-growing, with competitive earnings, in agriculture, small manufacturing, and services in the Department of Cochabamba. The purpose of the cooperative agreement is to ensure that NGOs make their best possible contribution in helping to implement CORDEP. The role of PA under the agreement is to manage the NGO component and to provide administrative assistance to NGOs.

PA began implementing the cooperative agreement in December 1991 by inheriting four ongoing projects funded under a predecessor project by Proyecto de Desarrollo Alternativo Regional (PDAR), the Bolivian implementing agency. During the agricultural year 1992-1993, 54 NGOs submitted 68 grant applications in two rounds of funding. Twenty-three projects were eventually selected with a total value of \$B 9,004,769. Between March-June 1993, 43 NGOs submitted 54 grant applications for the agricultural year 1993-1994. Sixteen projects were selected for funding with a total value of \$B 8,331,000. In addition, three radio programs will continue to receive funds in 1993-1994, as will the Unión de Asociaciones de Productores de Banana (UNABANA), a banana processing/exporting venture being managed by Development Alternatives Incorporated (DAI); this brings the total number of organizations being funded by PA to 19. The NGOs selected for funding in 1993-1994 include 18 of the 23 funded in the previous year and two new programs.

At the time of this evaluation, all NGOs were in the process of closing 1992-1993 activities and/or readying their 1993-1994 projects. This includes, (1) to close, gathering information on agricultural yields and farmers gross incomes as harvests are concluded and crops sold, and (2) to get ready for new projects, establishing baseline data and elaborating final work plans.

The results of the first full year of funding reported by the NGO include the following:

- 6,550 families received agricultural technical assistance. Of these, 1,140 were located in the Chapare.
- Yields per hectare in 32 crops (ranging from 16 percent to over 300 percent).
- Significant increases in income (not yet quantified, projected increases range from US\$ 150 to over US\$ 2,000).
- 1,963 hectares cultivated with NGO assistance (inputs, production technologies).
- 584 pilot plots to demonstrate (and validate) production technologies and/or new crops to the zone.
- Soil and water conservation technologies in 385 hectares.
- Over 17,000 meters with soils and water conservation technologies, such as contour rows, infiltration channels, head canals, retaining walls, etc.
- Forestation in 413 hectares and along 69,000 meters of river bands and along property lines as live fences.
- Over 12,000 (78 percent men and 22 percent women) were trained in various short-term courses and on-the job in agriculture and livestock production technologies, soil and water conservation, accounting, credit operation and crafts.

The scope of work contains 28 questions divided into five groups as follows: (1) goal and purpose, (2) program objectives, (3) implementation effectiveness, (4) project impact, and (5) other.

The main evaluation findings and recommendations follow.

- Although all stated assumptions in the logical framework are still valid, it has now become apparent that the Cooperative Agreement needs to be reviewed to address the issue of the sustainability of the gains made in agricultural production and productivity. To do this, farmers need continued access to agricultural production inputs and technical assistance. At present, the NGOs are the only source of technical assistance in most areas and for most farmers, as well as the only reliable providers of agricultural inputs. Consequently, continuity is important to sustain and increase the gains being made by the farmers, at least until either the farmer themselves can provide these services through farmer associations or private firms. It is recommended, therefore, that CORDEP make changes in its NGO program that will help NGOs strive towards self-sufficiency.
- There is much room for improving coordination among all Mission activities within CORDEP and within alternative development. This is a complex project with multiple implementing institutions making coordination an especially difficult task.

The most practical coordination mechanism to improve the NGO component's performance are: the renewal of consensus on the component among the key implementing institutions and the adaptation of the Integrated Product Development Plans (IPDP) by these institutions as their guide to action.

- **NGOs (within and outside of CORDEP) are currently, in most areas, the only significant suppliers of inputs and technical assistance services in most farming areas. It is unlikely that either the state or private for-profit firms will enter the market in the near future. It is also unlikely that most farmer organizations would be able to supply these services as efficiently and at a lower cost than the NGOs. It is therefore important for CORDEP to review its NGO component strategy and policy to make it as easy as possible for the NGOs to develop and implement strategies for their own long-term sustainability.**
- **Current time limits are not adequate for meeting project goal and purposes. For all practical purposes, this (July 1993 to June 1994) is the second and last year of activities as conceived in the cooperative agreement. Without an extension of the NGO component, there is a danger that most the gains being made will not be consolidated and thus fail to contribute to the achievement of the goal and purpose of the project. USAID should consider funding the NGO during the remaining life of CORDEP.**
- **PA assistance has established a well designed and very detailed system for the administration of the component. The system is functioning well. PA staff are generally well regarded and respected by NGO staff. The few complaints seem to center not on technical or administrative issues, but on occasional overzealous project supervision. If USAID extends the life of the NGO component, it should also extend PA's cooperative agreement.**
- **In all crops attended by the NGOs, yields per hectare have increased significantly, in some cases doubling and tripling. These increases have been achieved by using high quality seeds (not even certified seeds), introducing new varieties and improved technologies, providing technical assistance through the production cycle, and by using unadulterated inputs provided by the NGOs. Although there is direct impact on incomes from higher yields per hectare (that is net income increases), the impact on the quality of life of the beneficiaries will take longer to make itself felt. Here, the challenge is to sustain income increases long enough to make a qualitative difference in the lives of the families.**
- **Of special note in the project selection criteria is the requirement that the project be clearly focussed on income increases and/or job creation and maintenance, and that the outputs be quantified. This requirement accounts for one of the most distinguishing characteristics of the CORDEP NGO component. The emphasis on productive projects, income increases, and job creation are contributing to the emergence of a new type of NGO—an NGO that specializes in agricultural technology transfer. This is a welcome development among the growing number**

of NGOs dedicated rural development, which tend to be general and broad focussed. This is also a welcome and timely development that adds to the efforts of agencies such as Institute of Agricultural Technology (IBTA), the Corporación de Desarrollo de Cochabamba (CORDECO), and older NGOs.

CORDEP's NGO component is contributing to the emergence and consolidation of specialized and narrowly focussed NGO that plays a role in the small farmer sector as agricultural technology transfer agent and agricultural input provider. Both roles are important in areas and activities where neither the state nor the private-for-profit sector have a significant presence. This type of NGO will become more common as many donors and older NGOs shift their strategies from broad based integrated rural development activities with emphasis on education and community development to income and job producing projects. CORDEP's NGO experience can serve as a model for the Bolivian Government as it re-organizes and re-structures the IBTA and seeks effective models for a new national system for agricultural technology transfer.

SECTION II

RECOMMENDATIONS

SECTION I INTRODUCTION

This report contains the mid-life (20 months) evaluation of the nongovernmental organizations (NGO) component of the Cochabamba Regional Development Project (CORDEP) being implemented by Planning Assistance (PA).

The report is divided into five sections. Section I (this section) is a brief summary about the organization of the report. Section II contains the evaluation recommendations. Section III is a brief history of CORDEP, the NGO component, and a very brief description of the characteristics of NGOs in Bolivia. Section IV summarizes the purpose and goal of the evaluation, as well as the expected outputs in the Cooperative Agreement. Section V contains the evaluation questions, findings, and conclusions. Annex A is a statement on the methodology used in the evaluation; Annex B a copy of the scope of work; Annex C is a list of persons interviewed; and Annex D is the "AID Evaluation Summary" form No. 1330-50.

This evaluation report starts with recommendations. These recommendations are based on the findings and conclusions of Section V. They are presented as a separate section to emphasize the overall finding that the NGO component is performing well, but that changes in its overall strategy need to be made if the achievements of the NGOs are to be sustained, improved, and consolidated in the remaining life of CORDEP.

The evaluation scope of work contained 28 evaluation questions. These questions are addressed in Section V, which also presents the findings, conclusions, and suggestions. Because some of the evaluation questions are repeated, there is duplication in the findings and conclusions. The evaluator opted for this format, hoping that repeating some findings and conclusion from different perspectives would add strength to the recommendations.

SECTION II RECOMMENDATIONS

Recommendation #1: Reach renewed consensus of what the NGO component aims to achieve and how it will do this

- **CORDEP implementing institutions with active participation in the NGO component (USAID La Paz/Cochabamba, Proyecto de Desarrollo Alternative Regional [PDAR], Development Alternatives (DAI), Agrocapital, and PA should agree on what the NGO component aims to achieve and how it can best do it. This would improve the overall efficiency and impact of the component and lead to more timely and active participation by these institutions in the yearly round of sub-project definition, and selection.**
- **Given that fact that the Integrated Product Development Plans (IPDP) are being completed, they should be amply discussed by all CORDEP NGO implementing agencies and adopted as built-in coordination mechanisms. This would reinforce the coordination and cooperation being obtained through the crop-specific Grupos Tecnicos Operativos (Technical Operating Groups).**
- **Once current re-structuring changes are completed, USAID should consider holding an NGO component review/planning session to develop an NGO component work plan where NGO component participating institutions' roles are defined and agreed upon.**

Recommendation #2: Extend the life of the NGO component

In 20 months, the CORDEP NGO component has set in motion a developmental process that is meeting the goals and objectives of CORDEP. To sustain, improve, and consolidate the gains made by the NGO component, USAID/Bolivia should consider funding an extension of the life of the NGO component to coincide with the life of CORDEP.

Recommendation #3: Emphasize long-term sustainability of achievements

To maximize the effectiveness of the NGOs and to sustain the benefits their clients are obtaining, USAID should consider the following related changes in the NGO component:

- **Use the project preparation guidelines more aggressively as requests for proposals (RFPs) to direct resources and actions to what CORDEP considers to be strategic areas/crops. Consider tailoring RFPs to meet CORDEP specific objectives and priorities rather than just the general objective.**

- **Encourage NGOs to work with farmer groups under service contracts for a fee (not matter how nominal) to increase accountability and professionalism. Aim for a generalized policy among NGOs to work towards real cost recovery for services. Be flexible, recognizing that some services may have the potential to pay more than their real costs while others will not.**
- **Require the NGOs and their beneficiaries develop a long-term vision of what they want to achieve in concert with the goals and objectives of CORDEP. This need not commit CORDEP to long-term financing or to institution building, but to creating incentives within the grants to do so. Long-term goals could include outputs such as: (1) a technology transfer agency (the NGO) providing services to a producer association for a fee; an (2) NGO that produces and sells certified seeds, provides inputs and production technology assistance to individual farmers, and handles postharvest activities for a fee; (3) a producers association that contracts the services of an NGO specialized in technology transfer; (4) a combination of any or all of the above.**
- **Use multiyear grants, conditioned on performance, in selected cases.**
- **Provide gradually declining long-term funding leading to self-sustainability where the NGO is expected to raise revenues by providing services for a fee, and/or enter into joint venture production or marketing projects with the farmers, and/or to obtain grants from other sources so that it can gradually cover its expenses for the portion not funded by CORDEP.**
- **Adopt a policy that encourages entrepreneurial performance by NGOs while preserving their service nature. This may be done either by allowing and encouraging NGOs to undertake those activities where there are no private sector firms (such as seed production, input provision, postharvest handling, and even marketing), or by allowing the NGO to act as umbrella for business firms that work with the NGO and the farmers on joint ventures ("riesgo compartido" basis). These businesses (production of export crops, seed production, postharvest handling, exports, etc.) would in turn produce the revenues to cover NGO operating costs.**
- **Adopt a policy that encourages NGOs to seek self-sustainability by rewarding innovation and entrepreneurship without abandoning their service nature. Although NGOs can enter or are entering revenue activities, such as seed production and input provision, they should be free to explore other areas, including joint production/processing/marketing ventures with interested farmers or groups of farmers.**
- **Endow the NGOs with tools and equipment gradually over the life of their projects and conditioned on performance. The equipment most NGOs need is basic and includes desks, computers, and vehicles. Endowing the NGOs with only the basic equipment they need encourages frugality, and efficient use of resources.**

Recommendation #4: Extend PA's Cooperative Agreement

- Should USAID decide to extend the NGO component life, it should also consider extending PA's Cooperative Agreement over the same period of time. PA has established a very effective and efficient NGO component administration system and is performing well.

End of Project Status (EOPs). If these changes are adopted, the expectations by the end of the project would include:

- A substantial number of NGOs (50 percent) in CORDEP's current portfolio on their way to becoming consolidated as self-sustaining technical assistance organizations. NGOs with the best prospects and a clear strategy towards self-sustainability would be selected from among those currently in PA's portfolio and invited to present site specific competitive long-term proposals. Additional NGOs would be funded every year during the rest of CORDEP if deemed necessary to cover services and or areas of interest to CORDEP. The number of the additional NGOs to be funded would be determined by the availability of funds and an assessment of CORDEP's strategic needs.
- The NGOs would be working under a variety of modalities including contracts for technical assistance with producer/exporter associations, joint ventures to produce and export with farmers groups, and other forms to be proposed by NGOs and farmer associations. These contracts would aim to eventually cover the real costs of NGO services.

SECTION III

PROJECT HISTORY AND BACKGROUND

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PROJECT HISTORY AND BACKGROUND

A. Project History

CORDEP is US\$ 80 million, five-year (1992-1997) project to develop alternative employment to coca-growing and cocaine processing, with competitive earnings, in agriculture, small manufacturing, and services in the department of Cochabamba. CORDEP follows a previous 10-year project that began in the Chapare region and expanded to cover the High Valleys area.

CORDEP is a complex project with multiple components and project implementing institutions. The main project implementing institutions related to the NGO component and their roles are:

- USAID/La Paz, overall project management.
- USAID/Cochabamba, project management and coordination.
- PDAR, the main Bolivian government CORDEP project implementing agency.
- Bolivian Institute for Agricultural Technology (IBTA), applied agricultural research and technology transfer in the coca-growing Chapare region and High Valleys area.
- The Servicio Nacional de Caminos (SNC), a government road building agency.
- DAI consortium, charged with providing technical assistance to PDAR, IBTA, and other CORDEP implementing agencies and with implementing the marketing component of the project.
- AgroCapital, charged with managing and administering the credit component of the project.
- PA, charged with managing the NGO component of CORDEP, provides NGOs with funding, administrative assistance, and access to CORDEP's technical resources.

B. NGO Component History

On 11 December 1991, USAID/Bolivia and PA signed Cooperative Agreement No. 511-0617-A-00-2036-00. The purpose of the Cooperative Agreement was "...to provide funds for the implementing assistance to NGO(s) for CORDEP. The Cooperative Agreement

covered 1 December 1991 through 30 November 1994. The total estimated amount of the Cooperative Agreement was \$7,414,036. The 13 December 1991 letter obligated \$1,995,715 for program expenditures for the period 1 December 1991 through 30 November 1992, starting the three-year program. The program was amended on 25 November 1992 as follows: the amount obligated up to that date was changed to \$4,808,185, which included the additional sum of \$2,812,470 to cover the period to November 1993. Through this amendment, the total estimated amount of the Cooperative Agreement was revised to \$7,745,531.

The goal of the Cooperative Agreement is to develop alternative employment to coca-growing, with competitive earnings, in agriculture, small manufacturing, and services in the Department of Cochabamba. The purpose of the Cooperative Agreement is to ensure that NGOs make their best possible contribution in helping to implement CORDEP. The role of PA under the agreement is to manage the NGO component and to provide administrative assistance to NGOs.

Under the Cooperative Agreement, PA is responsible for the following outputs:

1. Ensure that NGO projects address the goals, purposes, and outputs of CORDEP and all guidelines pertaining to project design and implementation.
2. Provide funding each year to 10 to 20 NGOs and implementing 20 to 30 projects (\$50,000 to \$250,000 per project).
3. Monitor inputs and outputs of NGO projects in close and full cooperation with USAID offices and all CORDEP implementing agencies.
4. Help NGOs report the results of their projects, maintain good relations with their beneficiaries, and improve the working environment of CORDEP.
5. Evaluate and report on the impact of NGO projects in close and full cooperation with USAID offices and all CORDEP implementing agencies.
6. Ensure that all NGO project expenditures, accounting, and financial reporting are in full compliance with USAID standards, provisions, conditions, and procedures.
7. Produce quarterly progress reports on all NGO projects and contribute all needed and useful information to the CORDEP Management Information System.
8. Ensure coordination among NGOs and with USAID offices in Cochabamba and La Paz and all organizations that implement or support CORDEP.

Coordination was to be achieved in four ways:

- Funding guidelines were to direct NGOs to achieve the agreed upon purposes of the project.

- USAID officials would review and approve all funding decisions.
- Projects were to be monitored and reported on quarterly to USAID officials, and USAID officials could request any project adjustments to improve coordination with other CORDEP elements.
- NGO projects were to be evaluated each year prior to funding decisions for the new year, and any project that was performing poorly or did not conform to the purposes of the CORDEP would not be refunded.

PA began implementing the Cooperative Agreement in December 1991 by drafting funding guidelines and by funding four NGOs started under PDAR (CORDEP's predecessor project). This initial round of funding extended from December 1991 to either March or June 1992 to allow them to complete their obligations through the 1991-1992 crop year.

During the agricultural year 1992-1993, 54 NGOs submitted 68 grant applications in two rounds of funding. Thirty-eight grant applications were submitted in the first round following a workshop with interested NGOs, where the program was discussed. Thirteen out of the 38 were funded. These 13 NGOs were funded for 15 months (April 1992 to June 1993) to permit them to conduct baseline studies and prepare for the agricultural year. Four NGOs with interesting but inadequately developed project proposals were given small grants (up to \$8,000) to conduct studies to improve their proposals. Two of the four were eventually funded. An additional 29 grant applications from 26 NGOs were received in early April, 1992 in response to five RFPs issued by PA to cover needed projects as identified by the technical committee. Six grants were funded in this second round. Five additional applications were submitted after the deadline for the second round. One was selected for funding, bringing the total number of funded NGOs to 23. The total value of the 23 grants was \$B 9,004,769. These 23 include funds for three radio programs and the Unión de Asocaciones de Productores de Banana (UNABANA), which was added to the list of projects in PA's portfolio in February 1993.¹

Between March and June of 1993, 43 NGOs submitted 54 grant applications for the agricultural year 1993-1994. The Technical Selection Committee recommended 15 out of the 54 for funding by the Finance Committee. The Finance Committee approved 16 grant applications, one more than the 15 recommended by the Technical Committee. The final negotiated total amount of the 16 grants was \$B 8,331,000. In addition, three radio programs will continue to receive funds in 1993-1994, as will UNABANA, bringing the total number of organizations being funded by PA to 19. When negotiation are completed, the total amount will be revised upwards to include additional grants for UNABANA and three radio programs.

The NGOs selected for funding in 1993-1994 include 18 of the 23 funded in the previous year and two new ones. Of the five NGOs that were funded in 1992-1993 but are not in the list of NGOs for the 1993-1994 year, three were ineligible because of poor

¹ UNABANA is a special case for Planning Assistance, whose responsibilities are limited to funding it.

performance or because their work was not within CORDEP priorities, and two did not present grant applications. Reportedly, these two NGOs, which have financing from other sources, consider the amount of paperwork required for an NGO grant "excessive" and not worth the relatively small amounts of the grants.

At the time of this evaluation, all NGOs were in the process of closing the 1992-1993 activities and/or readying their 1993-1994 projects. This includes, (1) to close, gathering information on agricultural yields and farmers gross incomes as harvests are concluded and crops sold, and, (2) to get ready for new projects, establishing baseline data and elaborating final work plans.

The results of the first full year of funding reported by the NGO include the following:

- 6,550 families received agricultural technical assistance. Of these, 1,140 were located in the Chapare.
- Increases in yields per hectare in 32 crops (ranging from 16 percent to over 300 percent).
- Significant increases in income (not yet quantified, projected increases range from US\$ 150 to over US\$ 2,000)
- 1,963 hectares cultivated with NGO assistance (inputs, production technologies)
- 584 pilot plots to demonstrate (and validate) production technologies and/or new crops to the zone.
- Soil and water conservation technologies in 385 hectares
- Over 17,000 meters with soils and water conservation technologies, such as contour rows, infiltration channels, head canals, retaining walls, etc.
- Forestation in 413 hectares and along 69,000 meters of river bands and along property lines as live fences
- Over 12,000 (78 percent men and 22 percent women) were trained in various short-term courses and on-the job in agriculture and livestock production technologies, soil and water conservation, accounting, credit operation and crafts.

C. The Development Industry and the NGO Sector in Bolivia

Development is one of the largest "industries" in the country—this is hard to dispute. Although it is difficult to estimate the number of people and the size of this "industry," everyone agrees it is substantial. A recent conservative estimate of the amount of money

handled by the NGO sector is US\$ 95 million². The number of existing NGOs in the country is unknown, and estimates range from 500 to over 1,500. In recognition of the importance of NGOs, the past administration of Paz Zamora issued decree No. 22409 regulating their status and actions.

NGOs, which first appeared in the country in the early 1960s, have grown into an important sector over the past decade and will probably continue to grow and play an important role in the near future. NGOs cover a wide range of institutions, but in general the term refers to a service organization that is not-for-profit. There are important differences among NGOs in term of their goals and the strategies they employ to reach them. As summarized by Sandoval, NGOs can be characterized as follows:³

1. (Asistencia) NGOs are engaged in "social development," and provide health and education services, basic infrastructure, and community organization to "marginal" populations. This approach or modality characterizes some of the first NGOs formed in Bolivia and this type of NGO was and is usually affiliated with a church.

2. (Promocion y Acompañamiento) This term applied to an NGO that works with a community on a broad based development effort; the NGO is a "partner" and a "guide" to the community in its efforts to develop itself and to claim its "rights" and/or services from the state. More and more these NGOs have been evolving into service providing organizations due to the withdrawal of the state from many of these services and from pressure by some donors to show tangible results.

3. (Asesoría) These are NGOs that provide focussed assistance to existing groups in education, communal organization, and/or information directed to empowering the organizations. They are often affiliated with political parties or postulate a political ideology.

4. (Consultoría) This are NGOs that act as consulting firms and provide services to donor-funding projects. As categorized by Sandoval, this type of NGO is distinguished by the fact that its main activity is consulting studies for donors. These include project evaluations, impact studies, and project designs.

According to the study, the majority of the NGOs operating in Bolivia fall in the second category (Promocion y Acompañamiento). A growing number of the NGOs in this category are involved in productive projects including agricultural production and infrastructure.

The NGOs CORDEP is financing, especially those that have been created in response to CORDEP's program, are not easily placed into one of the above categories. In general,

² Sandoval Z, Godofredo. *Las ONG's y los Caminos del Desarrollo*. CEP (Centro de Estudios & Proyectos S.R.L., La Paz, 1993. pp. 43-50.

³ This classification is based on a recent study just cited with some modifications.

they seem to be a mix between the more focussed Promocion and Acompañamiento and the non-political Asesoria. Distinguishing characteristics of the CORDEP NGOs are:

- A clearly and narrowly defined project to provide technical assistance to increase income and/or create employment. This contrasts markedly with the more traditional NGOs that are broad focussed and seek development on all fronts (education health, community organization, and agricultural production).
- The ability to respond to competitive grant awards as opposed to NGOs that are funded on non-competitive applications.
- Specialized technical staff offering services to farmers, such as technical assistance, input provision, and organizational management.

The majority (8 of 15 in the current portfolio)⁴ CORDEP NGOs were formed (or re-formed) in direct response to technical RFPs rather than as a result of humanitarian, political, or religious reasons. This is an important difference because it influences what NGOs do and how they operate. CORDEP NGOs are more like consulting/technical services firms than integrated rural development projects most traditional NGOs seem to prefer.

As evidenced by the responses to the RFP by PA in the first and second years, plenty of existing or potential NGOs are interested and capable of undertaking the types of projects CORDEP is financing. There is a large supply of experienced and qualified professionals and technicians who have often been frustrated by either the stifling and politicized public sector bureaucracies or the well intentioned but "idealistic" and disturbingly un-focussed traditional NGOs who are ready to take advantage of the kind of opportunity offered by the CORDEP NGO component.

CORDEP NGOs fill two needs. First, they create meaningful jobs for many underemployed professionals and technicians. Second, they can and are providing the kind of services small farmers need to significantly improve their lives. The new NGOs working through CORDEP have demonstrated that they are competent, yet far from achieving self-sustainability. In view of the fact that the NGOs are the only providers of these services, however, their self-sustainability is directly related to the sustainability of the development process in which their farmer clients are embarking.

The farmers being assisted by CORDEP need the NGOs to consolidate the improvements in production/productivity and income they are achieving. The NGOs need to consolidate themselves as technical assistance service organizations and as attractive sources

⁴ The eight formed in response to CORDEP RFPs are: ASTEC, CADIA, INDASA, INDRI, SERVIAGRO, SIATA, TUKUYPAJ, WINNAY SHIWAY. Five of the 15 NGOs with other sources of funds are: CEPROCA, CIAPROT, PAAC, CASDEC, CARITAS. Technoserve and IVS, though U.S.-based NGOs are special cases. Although for their CORDEP specific projects they are totally dependent on CORDEP funds, they are not counted as being in the group of 8 of NGOs that characterize the component. The 15 listed here do not include the three radios programs and UNABANA.

of employment for agronomists and other professionals. This mutual need is at the base of the success of the NGOs thus far and a potentially long-term and mutually beneficial relationship.

SECTION IV

PURPOSE OF THE EVALUATION

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The purpose of the evaluation is to assess the project's progress in meeting implementation goals and to assess its intermediate effects through the first 20 months. Based on the findings of the evaluation, recommendations for changes in design and implementation procedures will be made so that that project will meet its goals and purposes.

This midterm evaluation has the following objectives:

- (1) To assess the extent to which the NGO component—managed by PA—is meeting the goals and purposes of the project, based on an analysis of the indicators and assumptions underlying the project design and to recommend changes or modifications of outputs, EOPS and implementation strategies, and foci. The goals and purpose of the project are as follows:**

Goal: to develop alternative income and employment to coca-growing, with competitive earnings, in agriculture, small manufacturing, and services in the Department of Cochabamba.

Purpose: to ensure that NGOs make their best possible contributions in helping implement the CORDEP.

- (2) To assess the extent to which PA is meeting program and strategic objectives.**
- (3) To assess the effectiveness and recommend strategies for improving PA sub-project implementation through an analysis of obstacles and bottlenecks and to note achievements in project management and administration.**
- (4) To determine the effects and impact of the subproject on the primary and secondary beneficiaries and the adequacy of procedures and instruments for monitoring the impact in each of the sub-activities.**

SECTION V

EVALUATION QUESTIONS, FINDINGS, AND CONCLUSIONS

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The scope of work contains 28 questions divided into five groups:

- A. Goal and Purpose
- B. Program Objectives
- C. Implementation Effectiveness
- D. Project Impact
- E. Other

The evaluation findings follow the scope of work outline. Findings and conclusions are presented for each question in each group. Some closely related questions have been grouped together to avoid repetition, changing the order in which the questions are listed in the scope of work. The numbering for the questions, however, has been maintained for easy reference to the scope of work.

A. Goal and Purpose

1. Are the assumptions in the logical framework of the Cooperative Agreement still valid? If not, what are the implication for meeting project purposes and goals.

5. Is there any evidence that a significant portion of the NGOs will be self-sustaining by the project completion date?

The assumptions in the logical framework are as follows:

- Alternative employment is feasible
- NGOs are competent
- NGOs want to help implement the Project
- Best (NGO) proposals are funded
- NGO component is funded

Self-sustainability of the NGOs is not mentioned in the Cooperative Agreement nor it would seem was an issue considered in the design of the CORDEP as a whole, or in its implementation to date. The existence of NGOs appears to be have been taken for granted in the design of CORDEP and the NGO component.

Although all stated assumptions in the logical framework are still valid, it is now apparent that the Cooperative Agreement needs to be reviewed to deal with the issue of ensuring that the gains achieved by the farmers (with the help of the NGOs) are sustainable. This is an issue that has emerged only as a result of the implementation experience of the past 20 months.

To sustain the significant increases in productivity and production the farmers need continued access to agricultural production inputs and technical assistance services. NGOs (within and outside of CORDEP) are currently the only significant suppliers of inputs and technical assistance in most farming areas. It is unlikely that either the state or private for-profit firms will enter the market in the near future. It is also unlikely that most farmer organizations would be able to supply these services as efficiently and at a lower cost than the NGOs.

The need for continuing services to farmers argues for the need to continue supporting the NGOs. The NGOs themselves, irrespective of the needs of CORDEP, are naturally interested in their continuity and survival after the grants.¹ This interest in self-survival coupled with the fact that CORDEP grants are only for a year has motivated some of the NGOs to actively search for revenues to lessen their dependency on CORDEP. Some of the NGOs with operating funds are already engaged in activities to maintain and even increase their funds (fondos rotativos). Some are exploring joint ventures with farmers (riesgo compartido), seed production, postharvest handling, marketing, and other revenue generating ideas. CORDEP should take advantage of this and make it as easy as possible for the NGOs to be entrepreneurial. This includes changing some of the rules of the CORDEP grants without turning the NGO component into an institution building project, nor making any commitments beyond those currently being made.

Although some NGOs have access to other funds or have some basic infrastructure, the majority (10 out of the current 15) are clearly dependent on CORDEP's financing. This is especially true in the case of the new NGOs and/or projects created by existing NGOs as a response to CORDEP's RFPs.

As currently structured and operating, evidence suggests that a significant portion of the NGOs will not become self-sustaining. The grant agreements and rules under which the NGOs are operating are not conducive to self-sustainability. In fact, the opposite seems to be the case. The one-year grants, while effective as an experiment to see if competent NGOs could be found, seem (in this second year) to be inducing both NGOs and their clients to emphasize short-term gains to the detriment of the long-term sustainability of the improvements they have both shown can be obtained by working together. The very noticeable gains in production and productivity will not be sustained without further assistance and consolidation of the technologies and services introduced by the NGOs. Furthermore, the policy of "loaning" to the NGOs their working tools and equipment not only constraints the NGOs from building an endowment and strengthening themselves as independent service organizations, but also perpetuates their dependency on USAID financing.

¹ It should be noted that the NGOs created in direct response to CORDEP funding are providing the kind of alternative employment most agronomists in the region have long aspired to have where they can actually practice their professions.

It should be noted, however, that not all NGOs want to become self-sustaining. Some of the NGO's policy is to work only with grants to provide a temporary service to beneficiaries. Once their mission is concluded, they would supposedly dissolve.

There is evidence that after the first full year of NGO funding, more than half of the NGOs in the program are interested in, and have the potential of becoming, (at least partially) self-sustaining if the program is extended and if some of the rules of the grants are modified. Several things must happen, including:

- A long-term institutional perspective.
- Contracts between NGO and farmers that emphasize services for a fee (no matter how nominal the fees).
- A strategy to achieve self-sustainability through a combination of services for a fee, revenues from seed production, postharvest handling, and other mechanisms.
- Multiyear grants conditioned on performance.
- A policy of endowing the NGO with basic tools and equipment as a reward for results over the life of their projects and at the end of their successfully completed contracts.
- A policy that encourages entrepreneurial activities in the NGO geared to generating revenues.

2. Is there evidence that the project has improved efficiency, coverage, and administration of the NGO component to date? If not, why not?

The majority of the NGO directors and staff interviewed rate the administration of the NGO component by PA as a nine on a scale of one to ten. NGO directors indicate that PA's administration of the NGO program, which was "good" during the first year, has improved markedly in this second year, and more specifically since the arrival of the current director in October 1992. PA technical staff are generally well regarded and respected by NGO staff. The few complaints seem to center not on technical or administrative issues, but on occasional overzealous project supervision.

Although praise by the NGOs of PA performance is almost unanimous, there is considerable criticism of some aspects of the program. These include the constraints imposed by working with one-year grants and under rules that do not allow the NGOs to strengthen themselves as organizations. These issues have already been dealt with above. They do affect the efficiency and coverage of the NGO component, as well as the sustainability of the achievements of the NGOs.

PA assistance has established a well designed and very detailed system for the administration of the component, including a project supervision system that deserves special

attention. Contrary to an impression by observers that PA is over-managing the NGOs, it is the majority opinion of the NGOs that PA's management and supervision is welcomed and helpful. In contrast to funding by other agencies that do occasionally carry out a supervisory visit, NGO directors express their satisfaction at being able to show progress as it takes place and in as much detail as possible. Most NGO directors interviewed feel their work and efforts are appreciated and are happy to put up with the demanding supervisory visits. The directors claim the supervisory visits keep them on track and allows early detection of problems. The close follow-up by PA is clearly a factor in the relatively few problem projects and problem NGOs in the 20 months of operation. In fact, PA has canceled the funding for only one NGO for lack of performance and irregularities in the use of funds.

In the 20 months of operations and two rounds of NGO funding, PA has developed an efficient program to implement the NGO component.

This program, which is executed in 12 month cycles, includes the following phases:

- (1) Formulation of funding guidelines
- (2) Approval of guidelines
- (3) RFPs
- (4) Analysis and evaluation of projects for funding
- (5) Presentation of proposal to the technical selection committee (both full proposals and summaries)
- (6) Review and approval of selected NGOs by USAID Finance Committee
- (7) Final negotiation of grants between PA and the NGOs
- (8) Monitoring the implementation of projects by the NGOs
- (9) Administrative assistance during project implementations
- (10) Broker technical assistance between CORDEP and the NGOs
- (11) Evaluation of NGO performance and project progress

The Technical Selection Committee recommends the projects to be funded and the Financial Committee makes the final selection, and if necessary, recommends changes in the project or project details.

3. Is there evidence that the project has improved the productivity, quality of life, of the beneficiaries? If not, is such evidence likely to appear by project completion?

In all crops attended by the NGOs, yields per hectare have increased significantly, in some cases doubling and tripling. These increases have been achieved by using high quality seeds (not even certified seeds), introducing new varieties and improved technologies, providing technical assistance through the production cycle, and by using unadulterated inputs provided by the NGOs. The increases are significant even if one takes into account what seems to have been extremely conservative reports of yields of the baseline data. (See subsection D, questions 2 and 3 of this section for recommendation on checking the accuracy of baseline data.)

While the NGOs deserve credit for achieving such dramatic increases in productivity, it should be noted that these increases are the "easy" part of the job. The levels from which the NGOs started were so low that it could be argued any input was likely to produce a noticeable difference. Clearly having achieved dramatic results in one year, the NGOs now face the challenge of consolidating the gains. This is a more difficult and longer-term task, and one that will take a number of years to accomplish. The gains made during the 1992-1993 crop year are an excellent base on which to build. Where NGOs worked for the first time, their success won them the trust of the farmers.

Although there is direct impact on incomes from higher yields per hectare, the impact on the quality of life of the beneficiaries will take longer to make itself felt. Here, the challenge is to sustain income increases long enough to make a qualitative difference in the lives of the families they work with. To meet this challenge, more than just sustaining the productivity increases is necessary. Redefining crop priorities to concentrate on high yielding crops and export crops is critical to increasing and sustaining higher incomes.

The crops currently listed by CORDEP as priority crops offer such promise. This promise is tempered, however, by a number of factors, including the weak link to export markets, the uncertainty of further support beyond the one year projects, and the void of private sector firms in key links of the production to marketing chains (such as seed and input provision, postharvest handling, processing, and export). In addition to CORDEP's crop priority lists, there are crops not included in the list that farmers and NGOs have found to be profitable and that they will continue to produce. These crops also offer opportunities to increase and consolidate higher production and incomes for farmers (the crops include peas, peaches, dry flowers, table corn, potato seeds, guandul, yucca, etc.). PA needs to clarify for the NGOs that the priority crops list does not mean that they are only allowed to work with crops on the lists, but that these crops will receive priority attention from all CORDEP implementors.

The majority of the farmers the NGOs work with are risk adverse, and tend to be conservative when making decision on what to grow. Shifting their production to one or two priority crops will be gradual and only as a result of better returns on their investment. One potential way to accelerate this process is to allow the NGO to take the lead in producing a minimum amount of high quality crops for export as a demonstration project. In effect, PA should consider a pilot project where NGOs start producing an export crop as a mean to induce/train farmers in the area to start producing/processing the crop. This would be an extension of the current practice whereby NGOs work in pilot plots to demonstrate new technologies and/or input use.

5. Are adequate procedures and measures in place to assess the developmental impact of the project by its completion date?

The NGOs are reporting in minute detail all of their activities, accomplishments, and failures. These data is being collected by PA through its project progress monitoring and evaluation system. The data being collected by PA will be fed to the CORDEP overall monitoring and evaluation system, which is still under design. Once CORDEP's overall

system is completed, PA will need to review its own system in light of the requirements of the overall system. It is important that CORDEP define its system requirements as soon as possible.

The data currently being collected by PA are an important and essential input for any developmental impact studies conducted while work is in progress and by project completion date. By itself, however, the data collected is insufficient to carry out a developmental study. This type of study requires additional data outside of the data PA needs to monitor project progress.

While the NGO monitoring and evaluation system permits the measurement of actual accomplishments over projected goals and is adequate for the program itself, more attention to measuring the economic consequences of soils and water conservation technologies could be useful for both the NGO component and CORDEP. PA and DAI have considered such studies but have yet to carry them out. At least one such study should be carried out before the next round of funding so that their results can be incorporated into the project preparation guidelines.

6. Are current time limits adequate for meeting project goal and purpose?

No, current time limits are not adequate for meeting project goal and purposes. For all practical purposes, this (July 1993 to June 1994) is the last year of activities as conceived in the Cooperative Agreement. By the end of this second round of funding, there will be only five months left in the life of the NGO component. While these five months may allow a funding for a winter crop in some areas, PA would not be able to complete the 1995-1995 cycle unless its Cooperative Agreement is extended.

The NGO component is scheduled to end in November 1994. By then, the NGO component would have funded two full years of projects and it will be five months into a third year of funding. It is likely that neither the NGOs nor their beneficiaries would have consolidated the gains they have made in the first year and are likely to make during the second year. The gains in productivity and production cannot be sustained without market incentives or without the kind of technical assistance and inputs the NGOs are providing. Neither of these constraints is likely to be solved in the next year. Consolidation on the gains will depend on market demand for the products and on the NGOs continuing to provide technical services and inputs, the emergence of private sector firms that provide these services, or the strengthening of producer/exporter associations with the resources to provide themselves these services.

In addition to the inherent constraints to agricultural development in the region, the short-term nature of the NGO component does not contribute to the self-sustainability of the programs' achievements in the mid- to long-term. Even if the market problems were solved instantly, the problems of production would still pose a serious constraint to most farmers in the region. There are not many public or private sector suppliers of technical assistance and inputs in the market. NGOs to a large extent fill this demand; thus, if the NGOs are not

sustainable over the long term, the farmers will continue to face enormous difficulties producing the kinds of products demanded by the markets.

USAID should consider and make a decision as soon as possible to extend the NGO program to coincide with the period remaining in CORDEP. Similar consideration should be given to the Cooperative Agreement. The extension, however, should be made with some modifications in the current NGO program to emphasize the sustainability of the results being obtained to date.

B. Program Objectives

1. What evidence exists that the NGO component of the CORDEP project contributes to higher level USAID/Bolivia's strategic objectives?

There are a number of outputs resulting from the NGO component that contribute directly to higher level USAID/Bolivia strategic objectives. These include (for 1992-1993):

- 6,550 families received agricultural technical assistance. Of these 1,140 were located in the Chapare.
- Increases in yields per hectare in 32 crops attended by the NGO ranging from 16 percent to over 300 percent.
- Significant increases in income (not yet quantified, projected increases range from US\$ 150 to over US\$ 2,000).
- 1,963 hectares cultivated with NGO assistance (inputs, and production technologies).
- 584 pilot plots to demonstrate (and validate) production technologies and/or new crops to the zone.
- Soil and water conservation technologies on 385 hectares.
- Over 17,000 meters with conservation technologies (such as infiltration channels, head channels, and contour rows).
- Forestation in 413 hectares and along 69,000 meters of river bands and property lines as live fences.
- Over 12,000 (78 percent men and 22 percent women) were trained in various short-term courses and on-the job in agriculture and livestock production technologies, soil and water conservation, accounting, credit operation and crafts.

2. To what extent does the NGO component fit with the collaborative efforts across technical sectors to meet USAID/Bolivia strategic objectives?

The NGO component is one of the best instruments CORDEP has to reach the ultimate beneficiaries of the project, so the work of other CORDEP implementors can and should contribute to the work the NGO component is carrying out. Although all CORDEP implementors agree on the need to coordinate actions and recognize that each institution can and should play a role in implementing the project, this consensus has not yet been fully translated into actual practice.

This is partly due to the fact that all CORDEP implementors started work at the same time, before the market-led implementation strategy was fully developed. This market-led implementation strategy, which is being formulated in the IPDP, has yet to be fully internalized by all CORDEP implementors. Internalization is beginning to take place, though not without some difficulties and/or confusion. In the NGO component, for example, the list of priority crops were incorporated into the selection process of NGOs after the project preparation guidelines had been issued and most NGOs had presented proposals for a second year of funding. Another example is provided by IBTA Valleys, whose priority crop list includes three crops not included in the CORDEP/DAI priority list.²

As will be suggested throughout this report, in view of the experience of the last year and the changes in overall policy underway, there is a need for renewed consensus and a common vision on the NGO component among all those CORDEP agencies more directly involved in its implementation (basically those in the Technical and Financial Selection committees). The consensus and common vision should be built around the IPDP, where roles would be clearly defined for the NGOs and each of the CORDEP implementation agencies.

3. To what extent is there coordination among all Mission activities within CORDEP and within alternative development?

There is much room for improving coordination among all Mission activities within CORDEP and within alternative development. This is a complex project with multiple implementing institutions, making coordination an especially difficult task.

From the perspective of the NGO component, the need for better coordination is urgent. PA is criticized for having issued project preparation guidelines without sufficient consultation with other CORDEP participants. In this second round of proposal selection, PA solicited comments from USAID, PDAR, DAI, and Agrocapital. PA incorporated into the guidelines comments and recommendations received from DAI on irrigation and natural resource management criteria. Other recommendations and/or changes in priority crops and geographical areas were incorporated during the selection process. In anticipation of the next round it would be advantageous for PA to work with CORDEP management on a process to

² These crops take up 85 percent of their resources (peaches 65 percent, vineyards 10 percent, and Chirimoya 10 percent).

review the roles CORDEP agencies should play, the project proposal guidelines, and to agree on policies and project selection criteria. This should be done as soon as possible and before the next round of project selection starts. The new criteria for funding projects should be advertised to give the NGOs time to assimilate them into their planning process, which in most cases involves beneficiary participation.

At the field implementation level, the formation of crop (product line) specific Technical Operation Groups (Grupos Operativos Tecnicos) is a welcome step in achieving the kind of coordination needed to maximize CORDEP outputs. These groups, headed by PDAR, include technical staff from DAI, Agrocapital, IBTA, PA, and the NGOs. Also at the field level, some NGOs, such as TechnoServe in the Chapare and Asistencia Técnica Para el Desarrollo de Proyectos Agrícolas (ASTECA), CIAPROT, and Servicio Integral de Asistencia Técnica Agropecuaria (SIATA) have reached working arrangements with IBTA and/or other agencies working in the same areas or crops. These steps are positive and need to be reinforced by similar understandings at higher levels in all institutions. This could best be achieved through a project-wide work plan that defines policies, roles, and responsibilities clearly. IPDP, with its step by step analysis of what needs to be done to successfully take a product from production to the market, is an obvious candidate to organize the project-wide work plan to serve as a built-in coordination mechanism. Before such a step is taken, however, there needs to be agreement on the IPDPs themselves, which up to this point seem to be absent.

C. Project Implementation Effectiveness

1. To what extent is the NGO component meeting originally planned time schedules, and if needed, have effective steps been taken to improve the implementation pace?

The NGO component has been meeting originally planned time schedules without any difficulty. This is due not only to the project implementation effectiveness of PA, but also to the fact that the NGO component fills an acute shortage of technical services in the agricultural sector of the department. A USAID management decision to work with fewer NGOs account for the reduced number of NGOs in this second year of operations when compared to the first year (16 NGOs and three radio programs in 1993-1994 versus 20 NGOs and three radio programs in 1992-1993).

The technical services the NGOs provide include not only technical assistance in production and postharvest handling, but also, very importantly organizational assistance. The need for these services is widespread and unevenly met by a wide diversity of public sector agencies including IBTA, Corporación de Desarrollo de Cochabamba (CORDECO), and NGOs. Among the NGOs filling this void are those in the CORDEP NGO component, which as a group are distinguished by their specialized nature (technology transfer), in marked contrast to the more traditional generalist NGOs that pursue integrated rural development programs.

The largely unmet demand for specialized agricultural services and the existence of a large body of underemployed or unemployed agricultural professionals and technicians provide the main ingredients for a successful NGO program, such as the CORDEP NGO component. Furthermore as CORDEP begins to implement its market-led development strategy through the IPDP, the niche or niches for NGOs (from production to sale) can be more clearly defined. A clearer definition of the role(s) NGOs should play will improve the overall efficiency of the NGO component considerably, and maximize the impact of their actions.

2. To what extent has the project developed and implemented adequate tracking, technical assistance monitoring, administrative monitoring, reporting, financial planning, and accounting systems?

The CORDEP NGO component has developed adequate tracking, technical assistance monitoring, administrative monitoring, reporting, financial planning, and accounting systems. There are, however, some areas where there is still room for improvement. These include:

Technical monitoring (also called "supervision" by PA). Contrary to expectations that PA was overmanaging the NGOs, the very detailed and frequent technical monitoring system established by PA is almost universally praised by the NGOs. Unlike other donors, the NGOs argue, PA's constant monitoring has made them far more accountable for the funds they manage and the outputs they aim to produce. The very positive effect of PA's detailed and systematic monitoring is a good reason to maintain the system even after an NGO proves itself an excellent performer. The better an NGO is performing, the more they welcome the supervisory and monitoring visits of PA. In addition, the monitoring system also functions as a project adjustment mechanism that permits both PA and the NGO to detect problems and make adjustments as needed. PA staff are criticized for occasionally being too narrow, rigid, and overzealous in measuring details and losing sight of the bigger picture or the dynamics of working with farmers who change their farming plans to adjust to their perceptions of the market and the availability of labor and capital.

PA staff need to have recourse to a source of technical know-how in projects that are working with novel approaches or where there is conflicting views between the technical staffs of the NGOs and PA. PA's staff does an excellent job in monitoring the wide variety of projects the NGOs are implementing, but they cannot nor should be expected to be experts in all crops and technologies. Thus, they could use specialists in assessing technologies that are controversial or with which they are not familiar. These specialists could probably be easily provided by CORDEP/DAI and their participation could be turned into informal training events for both NGO and PA staff.

Administrative monitoring. Although the majority of the NGOs expressed satisfaction with the technical monitoring (capacity as well as usefulness), some NGOs need increased administrative assistance and monitoring. PA recognizes this need and has plans to monitor budget, record keeping, and reporting.

Of special interest is the fact that all NGOs appreciate PA's insistence that the NGO set up appropriate financial, accounting, and administrative systems. NGOs claim that this is helping them put their "houses in order" and is a clear benefit for the institution. Apparently, other NGO donors are considerably less demanding in the management and use of their resources.

Flexibility. As unanimous as the NGOs are about the benefits of the systems and norms they must follow, they are also unanimous in that they could maximize the use of resources with more flexibility. An example of this lack of flexibility is that all equipment (from pencils to vehicles) is "loaned" to the NGO for the duration of the grant. In addition to perpetuating dependency on the grant, this policy is wasteful. It encourages the use of equipment that is more expensive than any the NGO would purchase by itself and tends to foster an attitude of "I do not care what happens to it." Both are not only negative in terms of strengthening the institutions but also wasteful of very scarce resources.

3. What implementation strategies have been established for adjusting and accommodating to changing country, project and USAID conditions?

Thus far, the NGO component has not been a part of any project-wide strategy/evaluation/planning session that may generate guidance for adjusting and accommodating to changing country, project, and USAID conditions. In fact, whatever consensus existed at the start of CORDEP is no longer present, as many voices are heard within CORDEP.

As USAID/Bolivia reviews its CORDEP strategy, in light of government changes in the United States and Bolivia, and as DAI completes its IPDP, and as PDAR completes its restructuring, there is a need to renew project consensus and elaborate on an NGO component work plan to guide future actions. Without such a plan, there is a risk that the many CORDEP implementors will drift further apart from each other. As each CORDEP implementor worries about meeting the terms of its contract, Cooperative Agreement, etc., there is a tendency to be as self-sufficient as possible so as not to depend on anyone in reaching its objectives. This situation is obviously not conducive to the best use of resources because it promotes duplication of effort and a rough overall working environment.

PA needs to have clear and explicit guidance on project policies, strategy, and the role of the various CORDEP implementing agencies to prepare project preparation guidelines for the next round of project selection. These guidelines need to be communicated to the NGO community with enough time to allow them to formulate their proposals.

4. How effective are formal reporting and approval arrangements and mechanisms?

Formal reporting mechanisms are working well and are effective. During 1992-1993 NGOs reported to PA and PA reported to USAID. Although technical reports were usually on time, a few NGOs were delayed in making their financial reports. The dates for

reporting were not included in the grant agreement. This year's grant agreements include reporting dates.

PA reports to USAID through its office in Cochabamba for both the technical and financial reports. PA is in the process of changing this procedure, whereby the technical report will be prepared by the Cochabamba office and the financial report by the Washington office. This change should improve the efficiency of reporting by PA and considerably speed the disbursement of funds.

The formal project approval mechanisms consolidated in this second round of funding are effective, but should be modified to avoid problems. The selection process consists of several steps, from developing project preparation guidelines to having the finance committee make the final selection of qualified proposals. Intermediate steps include a seminar with all interested NGOs to discuss project preparation guidelines, evaluation and analysis of proposals by PA, and review and selection by the Technical Selection Committee.

In this year's selection process, three incidents occurred that marred the process. The first was that PA did not allow enough time for the members of the Technical Selection Committee to study the proposed project preparation guidelines and make recommendations (they had only two days). The second was the introduction of new project selection criteria consisting of a priority list of crops and geographic areas after the guidelines had already been distributed and proposals received. The third was the approval of a proposal by the financial committee that had been found not-qualified by the technical committee. These incidents did disturb what would otherwise have been a very smooth and effective project selection and approval process.

The importance of timely preparation of project guidelines to allow inputs by USAID, PAR, DAI, and AgroCapital cannot be overemphasized. This is CORDEP's opportunity to direct actions to areas and crops it considers most strategic. The project preparation guidelines are akin to an RFP and offer the best mechanism for selecting appropriate NGOs.

Elsewhere in this evaluation, the need for a basic project coordinating mechanism and the fact that the IPDP can be this mechanism has been stressed. The formulation of project preparation guidelines is one area where such a mechanism should be used. As those IPDPs are finalized, they should be presented to the NGOs with enough time for them to fully digest the information and incorporate it into their own project preparation systems. PA requires that the NGO use a participatory approach to project development. Most of the NGOs consider participation of the beneficiaries in the formulation of their projects essential for their success. These are additional reasons for better coordination within CORDEP (i.e., timely input into the project preparation guidelines and the need to develop a mid- to long-term strategy for the NGO component to play its part in implementing the IPDPs, if these are adopted by CORDEP as actions plans).

5. How effective is the formal organization and communication among key actors (e.g. USAID, the NGOs, PA, beneficiaries and others) participating in the project?

While communications among all CORDEP participants is fluid and operational, the sheer amount of work and the speed at which so many CORDEP activities move does not allow for the maintenance (among the multiple CORDEP implementors) of a common vision of what CORDEP aims to do and on how to do it. Consequently, there is an urgent need to make the time and spend the effort in a formal project-wide workshop to discuss an NGO component work plan. As noted before, the changes in both governments (United States and Bolivia), the experience of the past 20 months, the completion of IPDP, and the lessons learned from a first full round of NGO funding are among the main factors that make a consensus building session among CORDEP implementors urgent. PA's need for guidance before it starts the next project selection round has already been stressed.

6. Did PA prepare the guidelines to describe goals, purposes, outputs and impact of the CORDEP project? How effective are they? Are they contributing to promote the preparation and presentation of the best possible proposals from the best qualified NGOs/PVOs?

PA has done an excellent job in putting together the project preparation guidelines. The Technical Selection Committee has done an excellent job in selecting the NGOs as evidenced by the results of the NGOs. The guidelines were improved and expanded considerably the second year of funding. The guidelines describe adequately the goal and purposes of CORDEP, as well as the outputs and impact CORDEP aims to achieve with the activities funded through the NGO component. The guidelines include detailed geographical, technical, economic, environmental, and institutional selection criteria. The written guidelines have been complemented in both funding years with well attended seminars to discuss the guidelines and other issues of interest to NGOs. As has already been indicated, the effectiveness of the guidelines would be greatly improved in the upcoming year by preparing a guidelines process that incorporates the evolving CORDEP strategy and seeks timely inputs from members of the Technical Selection Committee (PAR, USAID/Cochabamba, DAI, and AgroCapital).

Of special note in the selection criteria is the requirement that the project be clearly focussed on income increases and/or job creation and maintenance, and that the outputs be quantified. This requirement accounts for one of the most distinguishing characteristics of the CORDEP NGO component. This emphasis, according to most of the NGOs funded, has forced them to focus their activities more clearly and to plan their work more efficiently. This emphasis is maintained throughout the project cycle by frequent and very detailed supervisory and monitoring visits by PA technical staff. The emphasis on productive projects, income increases, and job creation are contributing to the emergence of a new type of NGO, one that specializes on agricultural technology transfer. This is a welcome development among the growing number of NGOs dedicated to rural development, which tend to be general and broad focussed. This is also a welcome and timely development that adds to the efforts of agencies such as IBTA and CORDECO and older NGOs.

7. How many funding proposal have been received? How many have been funded? How many rejected and why?

PA has received 120 proposals in the two-and-half years the CORDEP NGO component has been in operation. Of these, 23 NGOs were funded in 1992-1993 and 19 in 1993-1994.³ Of the 120 proposals, 66 were submitted in 1992 by 54 NGOs and 54 in 1993 by 43 NGOs.

Of the 19 NGOs funded in this second year (1993-1994), 19 are NGOs that were also funded in the 1992-1993 year. Five NGOs that were funded in 1992 are not included in this second year. Of the five, one was terminated because of serious irregularities, two did meet the terms of the RFPs for the 1993-1994 funding year, and two opted not to submit new proposals.

The majority of the proposals not funded are composed of proposals from NGOs that: (1) did not address the term of reference adequately, (2) did not meet minimum legal requirement (incorporated and registered), (3) were considered not responsive to the terms of reference, and (4) were duplicate efforts already underway in a zone.

Of special interest in the selection of proposals was the requirement that the goal and objectives of the project be clearly defined and its outputs be measurable. Many NGOs accustomed to vague requirements by other donors find PA's terms of reference difficult to live up to, as do NGOs that emphasize the broad focussed social and economic development approaches apparently preferred by other donors. This probably account for a considerable number of NGOs not interested in the program.

The strength of the CORDEP NGO component is precisely that its focus is narrow (productive projects) and in that it emphasizes measurable results in terms of income increases and job creation. In an environment where most NGOs prefer the "integrated" approach to development, the emergence of highly specialized and effective technical assistance NGOs is a welcome evolution.

8. How effective is the technical committee in project selection?

The Technical Selection Committee has been very effective in its selection of projects and NGOs. Thus far, only one NGO had to be terminated because of irregularities. Its effectiveness could be increased, however, if the agencies involved participated actively in the design of a long-term NGO component strategy and in the formulation of project preparation guidelines. PA sends the Technical Selection Committee a copy of all proposals received and their respective summaries. It reviews the proposals and sends its recommendation to the Finance Committee, which makes the final selection decision. The Technical Selection Committee also makes recommendations for changes in the proposals selected. In 16 of the projects selected for 1993-1994, the Technical Selection Committee

³ These include three radio programs PA funded in 1992-1993 and in 1993-1994 and UNABANA, an on-going banana producers association in the Chapare.

made recommendations for significant changes, ranging from a focus on a new crop to minor modifications in the budget or allocation of resources. The Technical Selection Committee, PA, and the NGOs would save considerable effort in project reformulation if the Technical Selection Committee members participated more actively on the formulation of project guidelines, as has already been suggested.

9. Is there appropriate consideration of cost effectiveness in the selection of projects to be funded and in project evaluation?

Thus far, cost effectiveness in project selection has been measured by establishing gross indicators such as the net increase in family income as a result of a project activity, the cost per beneficiary, the number of hectares and/or families attended by technician, the cost per beneficiary in relation to the expected outputs, the cost per hectare with commercial crops, and the contribution of the project to the generation of additional wealth in the region where the project is implemented. PA has done a good job in standardizing such measurements and applying them uniformly to all submitted proposals in this second round of funding.

These measurements of "cost effectiveness" could be refined considerably by economic evaluations of completed projects or particular activities, such the economic impact of natural resource technologies. This is an activity, however, that falls beyond the scope of work of PA or the NGOs. It is an activity that should be undertaken either by DAI or PAR. The results of these studies can improve significantly the criteria for project selection, the validation of technologies, and the implementation of future projects by NGOs within CORDEP.

D. Project Impact

1. Has a baseline been established from which to measure overall project impact? Is there gender desegregated information?

PA requires the establishment of a baseline to measure project progress in each of the projects it funds, including gender desegregated information. As far as this evaluation was able to establish, a CORDEP wide evaluation system is still under design. The CORDEP evaluation system is expected to permit the measurement of overall project impact. The information PA is gathering from the NGOs is important for any overall project evaluation system. In fact, PA's monitoring and evaluation system is extremely detailed and elaborate and perfectly adequate for measuring NGO progress. For 1993-1994, PA will streamline its monitoring and evaluation system to minimize the NGO's and PA's record keeping and data gathering.

For PA's purposes, the system it has established allows it to measure NGO project progress adequately and continuously. This information can also be used to evaluate project impact input into the social and economic context of the zone where the project is being implemented. Whether this system fits all the requirements of the overall system can only be determined when the overall system is completed. Given the amount of information being

collected by NGOs and PA, it is likely that any overall evaluation system requirements will be met easily by PA's current monitoring and evaluation system.

Project impact requires more than just a baseline and project progress data. It requires that this data be put into a broader social and economic context. This type of project impact analysis is best done by CORDEP overall evaluation system and/or by independent studies. Neither the NGO nor PA should attempt impact studies. If they do, they would more likely be self-serving, in addition to not being a proper function for either. It would be useful for both, however, to have impact studies done by independent evaluators to assess the economic impact of selected NGO activities.

2. To what extent has a system for monitoring progress for each sub-activity NGO been set in place? Is there a general M&E system in place that captures adequate progress and impact on all project activities? Is there a procedure in place to report this data to USAID?

3. Does the data collected accurately reflect project progress toward attainment of major goals? Does data collection methodology yield reliable and significant data?

As indicated before, PA has established an intricate and elaborate monitoring and evaluation system to monitor progress of each sub-activity. These data are given to USAID in summary form.

PA requires NGOs to detail the goals, objectives, and outputs of their projects to an extent that at first sight may seem excessive. In practice, however, this emphasis on detail and on quantifiable outputs may very well be what has made the NGO component so successful to date. Nine of 15 NGOs⁴ that are currently holding grants find the system PA has established to be critical for their success. One focussed only on one product (Cochinilla) finds the requirements excessive and unnecessary. Ten are new NGOs created as a response to the RFP by PA. They include two existing NGOs that are working in this program only as a result of the RFPs (International Voluntary Service [IVS] and TechnoServe). The five remaining NGOs that existed before CORDEP and are unaccustomed to working under grants that are narrowly defined and monitored. But even these five recognize that the CORDEP grant requirements have forced them to plan more effectively and to implement their projects more efficiently. It is a conclusion of this evaluation that it is precisely the narrow focus and the emphasis on quantifiable outputs that gives it its strength. It is likely that some NGOs not willing or able to adapt to this requirement will withdraw from the program, as has already happened with two NGOs funded in 1992 (Centro de Servicio y Asistencia a la Producción Triguera [CESAT] and the Instituto de Capacitación Campesina [INCCA]).

The data being collected by the NGOs and PA does accurately measure progress being made in the projects towards attainment of the major goals of the CORDEP. PA has established a monitoring and checking system that minimizes any chances for distorting data.

⁴ Not counting the three radio programs or UNABANA.

PA should move ahead to use the system of random checking of actual results in the projects to also check baseline data to insure its reliability. This adds to the work load of PA staff, but it need not be done for more than a small sample to satisfy any doubts about the reliability of the baseline data.

4. To what extent is the project meeting overall and individual activity targets?

5. Is the project on schedule? If not, why not?

The CORDEP NGO component is on schedule and meeting overall and individual activity targets. The number of NGOs PA is financing in the year 1993-1994 is fewer (15) than in the first year (22) because of a CORDEP management decision to work with fewer NGOs and to reduce the geographic coverage of CORDEP. PA could easily double the NGOs it finances with only a small addition to the staff.

6. Have the participant NGOs been evaluated to determine if additional assistance should be provided?

Having established all the systems needed to smoothly administer the NGO component from selection to monitoring and evaluation, PA is beginning to direct its attention to the needs of the NGOs for additional assistance. One measure that PA has already taken that can be expanded is the formation of the Technical Operative Groups around crops. These groups are not only practical coordination mechanism, but an opportunity for NGO staff to improve their technical capacity by working with CORDEP experts (including short-term specialist brought in by CORDEP/DAI). PA should be encouraged to take further advantage of CORDEP's capacity to strengthen the capacity of its own staff and that of the NGO through CORDEP/DAI.

PA is also turning its attention to strengthening the NGOs managerial capacity. PA should move ahead aggressively on this front if the NGO component is modified to emphasize the self-sustainability of NGOs and mid- to long-term project financing as recommended in this evaluation.

E. Other

1. What are the attitudes of the NGOs and of the beneficiaries towards the assistance provided by PA?

3. How did the NGOs respond to the assistance provided by PA? Are they willing to work with PA?

4. What reception has PA had among the NGO community?

The directors and staff of the majority of the NGOs visited grade PA's performance as nine on a scale of one to ten. Two NGOs that were funded during the first year did not submit proposals for the second year. Their stated reason for not continuing with the

program is that they consider the CORDEP NGO component to be too bureaucratic and that it requires an excessive amount of paperwork. These NGOs have other funding sources. NGOs that have or had other sources of funding also consider PA's administrative system and reporting requirement "excessive." They are, however, quick to recognize that PA's requirements have forced them to have order in their operations. NGOs that were initiated with PA's funding have no complaints over the grant administration requirements. As indicated elsewhere, most NGOs like PA's technical monitoring and believe it is a positive contribution to their performance.

NGOs regard PA as more than just a simple source of funds. They see PA as a source of guidance and technical assistance. This is especially true in administrative matters and in matters where PA can act as a facilitator. They perceive PA as a broker between them and all CORDEP implementing agencies, such as PDAR/DAI/IBTA and PA. PA's organized seminars and workshops are highly valued by the NGO as learning opportunities and as forums where their work can be validated. The Grupos Tecnicos Operativos are also valued and seen as the most effective means to coordinate actions among the technical staff on the field.

While PA is highly regarded by all NGOs, there is considerable criticism about some of the characteristics of the NGO component. NGOs are highly critical of the lack of "flexibility" in the use of funds, the policy of one year grants, the fact that all equipment is "loaned" to them, and the sometimes excessive zeal with which PA supervisors carry out their work. Older NGOs see PA's narrow focus and emphasis on productive projects as limiting. NGO complaints are directed more at the program than at PA's performance. They have been dealt with elsewhere in this report. As to the criticism of excessive supervisory zeal, the cases where this complaint was made involve technical issues where the PA staff member and NGO colleague disagree, or where PA's supervisors were changed mid-way through the project and the NGO staff had to brief the new PA supervisor.

It would be of mutual benefit to have access to a specialized technical resource to settle technical disagreement. PA's monitors (called supervisors) cannot be expected to have the technical know-how to assess the technical merits of all the activities the NGOs are engaged in. To strengthen both PA and NGO staff, PA should access CORDEP/DAI's technical assistance resources to evaluate the technical and economic merits of controversial projects or activities.

Assessing the reception PA has had among the NGO community is difficult. There are many NGOs in Cochabamba, but only a few belong to any umbrella organization of NGOs, such as Union de Instituciones de Cochabamba (UNIBAMBA). There were three members of UNIBAMBA in the 1992-1993 program (CESAT, INCCA, and the Programa de Asistencia Agrobioenética al Campesino [PAAC]). PAAC is the only remaining member of UNIBAMBA in 1993-1994. PAAC opinion of PA's reception among its community is very favorable. CESAT and INCCA as reported are well funded and think PA's requirements excessive in comparison to that of their other donors. The opinion of NGOs outside those working with PA could not be easily ascertained.

2. What have been the intermediate effects of PA in the activities on the target population to date?

The intermediate effects on the target population to date have been very positive. In the first full year of operations, with the help of good weather, the NGOs have been able to significantly increase production and productivity among their clients. Gains in production and productivity, as well as the trust gained by the NGOs, are a good return of the funds invested. One or two years of significant increases, however, are not sufficient to sustain, increase, and consolidate the gains. Were the NGO to withdraw from most zones, production and productivity would most likely return to pre-project level simply because there are no firms or organizations that can provide the technical assistance and inputs needed to sustain the production increases. CORDEP needs to develop a long-term strategy to sustain and consolidate the gains made. This can be best done by promoting the sustainability of the NGOs themselves as self-sustaining technical assistance organizations.

In most NGO projects, marketing will continue to be the main barrier to sustained development of the traditional agricultural sector. NGOs and produce associations can play a role in solving this constraint. As an example of the potential export role for NGOs is ASTEC, who—with the help of DAI—is in the process of exporting some 3,800 qq of fresh onions to Peru. The project Technoserve in the Chapare can serve as a model for joint ventures between a producers association and Agrocapital or other institutions. Projects where the NGO itself is a producer of a crop oriented to the export markets can provide the basis for building a minimum supply of exportable quality crops to break the initial export barrier. Demonstrations that export crops can be produced and exported for a profit can probably do more to convince farmers to produce quality crops for export than all training and preaching activities together. The role of NGOs and produce associations in production and export can best be defined through the IPDP for each product.

ANNEX A

EVALUATION METHODOLOGY

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ANNEX A

EVALUATION METHODOLOGY

The evaluation was conducted over a period of four weeks and included a two-day seminar organized by one of the NGOs in the programs and PA to evaluate the experience of the NGOs and PA during the 1992-1993 funding year. The methodology used for the evaluation included a review of project documentation, interviews with directors and/or staff members of PA, DAI, Agrocapital, USAID/Bolivia, all the NGOs currently funded by PA, and three NGOs funded during the first year but no longer in the program. It did not include interviews with two of the radio programs being funded. The evaluation also included visits to project sites in Misque, Arani, the Chapare, and interviews with NGO beneficiaries.

ANNEX B

SCOPE OF WORK

ANNEX B

SCOPE OF WORK

2. Purpose and Objectives

The purpose of the evaluation is to assess the progress made in meeting project implementation goals and to assess the intermediary effects of the project through the first 18 months of implementation. Based on the findings of the evaluation, recommendations for changes in design and implementation procedures will be made as appropriate to increasing the probability that project investments will meet the stated goals and purpose of the project.

This mid-term evaluation has the following objectives:

- A. To assess the extent to which the NGO component - managed by Planning Assistance (PA) - is meeting the goal and purpose of the project and based on an analysis of the indicators and assumptions underlying the project design, to recommend changes or modifications in outputs, EOPS and implementation strategies and foci. The goal and purpose of the Project are as follows:

Goal: to develop alternative income and employment to coca-growing, with competitive earnings, in agricultural, small manufacturing and services in the Department of Cochabamba.

Purpose: to insure that non-government organizations (NGOs) make their best possible contributions in helping implement the CORDEP.

- B. To assess the extent to which Planning Assistance, is meeting program and strategic objectives.
- C. To assess the effectiveness and to recommend strategies for improving the PA sub-project implementation through an analysis of obstacles and bottlenecks as well as achievements in project management and administration.
- D. To determine the effects and impact of the sub-project on the primary and secondary beneficiaries and the adequacy of procedures and instruments for monitoring impact in each one of the sub-activities.

3. Evaluation Questions

The evaluation will focus on the following areas derived from the evaluation objectives:

- A. goal and purpose**
- B. program objectives**
- C. implementation effectiveness**
- D. project impact**
- E. other**

The rationale and specific questions to be answered by the evaluation team are as follows:

A. Goal and purpose

- 1. Are the assumptions made in the logical framework of the Cooperative Agreement still valid? If not, what are the implications for meeting project purposes and goal?**
- 2. Is there evidence that the project has improved efficiency, coverage, and administration of the NGO component to date? If not, why not?**
- 3. Is there evidence that the project has improved the productivity, quality of life, of the beneficiaries? If not, is such evidence likely to appear by project completion?**
- 4. Is there any evidence that a significant portion of the NGOs will be self sustaining by the project completion date?**
- 5. Are adequate procedures and measures in place to assess the developmental impact of the project by its completion date?**
- 6. Are current time limits adequate for meeting project goal and purpose?**

B. Program Objectives

- 1. What evidence exists that the NGO component of the CORDEP project contributes to higher level USAID/Bolivia's strategic objectives?**
- 2. To what extent does the NGO component fit with collaborative efforts across technical sector to meet USAID/Bolivia Strategic Objectives?**

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- 3. To what extent is there coordination among all Mission activities within CORDEP and within alternative development?**

C. Implementation Effectiveness (Project Implementation)

- 1. To what extent is the NGO component meeting originally planned time schedules and, if needed, have effective actions been taken to improve the implementation pace?**
- 2. To what extent has the project developed and implemented adequate tracking, technical ~~monitoring~~, administrative monitoring, reporting, financial planning and accounting systems?**
- 3. What implementation strategies have been established for adjusting and accommodating to changing country, project and USAID conditions?**
- 4. How effective are formal reporting and approval arrangements and mechanisms?**
- 5. How effective is the formal organization and communication among key actors (eg USAID, the NGOs, PA, beneficiaries & others) participating in the project?**
- 6. Did PA prepared the guidelines to describe goals, purposes, outputs and impact of the CORDEP project? How effective are they? Are they contributing to promote the preparation and presentation of the best possible proposals from the best qualified NGOs/PVOs?**
- 7. How many funding proposals have been received? how many have been funded? How many rejected and why?**
- 8. How effective is the Technical Committee in project selection?**
- 9. Is there an appropriate consideration of cost effectiveness in the selection of projects to be funded and in project evaluation?**

D. Project Impact

- 1. Has a baseline been established from which to measure overall project impact? Is there gender disaggregated information?**

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- 2. To what extent has a system for monitoring progress for each sub-activity - NGO - been set in place? Is there a general M&E system in place that captures adequate progress and impact on all project activities? Is there a procedure in place to report this data to USAID?**
- 3. Does the data collected accurately reflect project progress toward attainment of major goals? Does data collection methodology yield reliable and significant data?**
- 4. To what extent is the project meeting overall and individual activity targets?**
- 5. Is the project on schedule? If not, why not?**
- 6. Have the participating NGOs been evaluated to determine if additional assistance should be provided?**

E. Other

- 1. What are the attitudes of the NGOs and of the beneficiaries towards the assistance provided by PA?**
- 2. What have been the intermediary effects of PA in the activities on the targets population to date?**
- 3. How did the NGOs respond to the assistance provided by PA? Are they willing to work with PA?**
- 4. What reception has PA had among the NGO community?**

5. Scope of Work

The activities for carrying out the scope of work are as follows:

- A. Review all relevant project background unclassified documentation (Project Paper, Project Agreement, Project Implementation Letters, technical reports, etc), available in USAID/Bolivia and in the CORDEP project files and records.**
- B. Draft interviewing formats for staff from the NGOs, PA, DAI, PDAR, AgroCapital and USAID/Bolivia which will answer the questions listed above.**
- C. Serves as leader of a four person information gathering team comprised of the contractor and representatives of USAID/Bolivia, the GOB, Planning Assistance.**

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This team will be formed shortly after the arrival of the consultant, work on data gathering for two to two and one half weeks when said data will be turned over to the contractor for preparation of reports as outlined below.

D. Conduct, in collaboration with other team members, interviews in the field with appropriate personnel from the participating and potential NGOs, project beneficiaries, CORDEP personnel, USAID/Bolivia, and other institutions/organizations related to the CORDEP project.

E. Collect, analyze data prepare draft and final report and give oral briefings to Mission officials.

6. Reports

The contractor will submit a written report containing the following:

A. Table of Contents

B. Executive Summary and glossary of acronyms, etc.

C. Body of the report including;

- Evaluation findings**
- Evaluation recommendations**
- Evaluation conclusions**
- Lessons learned**
- Evaluation methodology**
- Evaluation scope of work**

D. Completed " AID Evaluation Summary", Form No.1330-50. (See attached).

The contractor will submit a draft report three days before leaving the country. Feedback from the Mission will be given at the time of the oral presentation, and if necessary, will be forwarded to the contractor the following week.

The final report, (six copies) including all comments and suggestions made by USAID/Bolivia will be submitted within three weeks after the contractor leaves the country.

All reports must be submitted in English and Spanish.

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ARTICLE II - TERM OF PERFORMANCE

The period of performance will be approximately twenty one working days beginning on or about July 12, 1993 and ending on or about August 6, 1993.

Subject to the ceiling price established in this purchase order and with prior written approval of the Project Manager (see Block No. 6b on the Cover Page), contractor is authorized to extend the estimated completion date, provided that such extension does not cause the elapsed time for completion of the work, including the furnishing of all deliverables, to extend beyond 30 calendar days from the original estimated completion date. The contractor shall attach a copy of the project Manager's approval for any extension of the term of this purchase order to the final voucher submitted for payment.

It is the contractor's responsibility to ensure that the Project Manager-approved adjustments to the original estimated completion date do not result in costs incurred which exceed the ceiling price of this purchase order. Under no circumstances shall such adjustments authorize the contractor to be paid any sum in excess of the ceiling price.

A six-days work week is hereby authorized.

ANNEX C

LIST OF PERSONS INTERVIEWED

ANNEX C
LIST OF PERSONS INTERVIEWED

USAID/Bolivia

La Paz

Charles Hash, Project Manager

Cochabamba

Harry Peacock, Deputy Coordinator CORDEP

PDAR

Gonzalo Romero

Jorge Gutierrez

Fernando Peñaranda

PA

Charles Patterson (La Paz)

Ramiro Irabien (Cochamaba)

Rene Marquez

J.L. San Miguel

Ivonne Carvajal

AGROCAPITAL

Arvin Bunker

DAI/CORDEP

Jack Rosholt, Chief of Party

Gustavo Montilla, Marketing Specialist

Gregory Minnick, Forestry and Natural Resources Specialist

Charles Foster, Marketing Specialist

John B. O'Donnell, IBTA Evaluation

ASTEC

Hermogenez Espinoza, Director

Mauricio Rojas

Serafin Vidal

Juan Carlos Rojas

CADIA

David Villaroel, Director

SIATA

Advincula Soto

I.V.S.

Ramon De Mora

TECHNOSERVE

Hamilton Erazo A., Jefe de Proyecto
Fernado Claure Blanco, Gerente de Proyecto
Sergio Cassals

SERVIAGRO

Lucio Colque,
Antonio Gonzalez
Johny Zapata
Eliseo Colque

INDASA

Enrique Selma

CIAPROT/PAFKUM

Grover Arebalo
Andreas Preysig

WINAY SIWAY

Ramiro Guillen
Luis Medina
Carlos Guillen
Humberto Cosio
Javier Lara
Juan Cabrera

INDRI

Juan Antezana
Hugo Bustamante

INSODEC

Rene Cabrera
Jorge Unreña
Fernando Rivero

CEPROCA

Fernando Vallejos

PAAC

Martin Villaroel
Magda Villaroel

ANNEX D

AID EVALUATION SUMMARY

ANNEX D

AID EVALUATION SUMMARY

A. Purpose of the Activity Evaluated

The activity evaluated is the result of a three year cooperative agreement between USAID/Bolivia and PA designed to help insure that NGOs make their best possible contribution in implementing CORDEP. PA provides grants to NGOs who can best achieve the goal, purposes and outputs of CORDEP, with emphasis on projects in the Chapare region. PA monitors and evaluates NGO inputs, outputs, and impact in close collaboration with USAID offices and all CORDEP implementing agencies to ensure good financial management of all NGO projects. The main goal of the cooperative agreement is the same as CORDEP: to develop alternative employment to coca growing, with competitive earnings, in agriculture, small manufacturing, and services in the Department of Cochabamba. The purpose of the cooperative agreement is to ensure that the NGOs make their best possible contribution in helping implement CORDEP.

B. Purpose of the Evaluation and Methodology Used

The purpose of the evaluation is to assess the extent to which the NGO component—managed by PA—is meeting the goal and purposes of CORDEP. In addition, the evaluation assesses the indicators and assumptions underlying the project design, and recommends changes or modifications in outputs, EOPS, and implementation strategy and foci.

The evaluation was conducted over a period of four weeks and included a two-day seminar organized by one of the NGOs in the programs and PA to evaluate the experience of the NGOs and PA during the 1992-1993 funding year. The methodology used for the evaluation included a review of project documentation, interviews with directors and/or staff members of PA, DAI, Agrocapital, USAID/Bolivia, all the NGOs currently funded by PA, and three NGOs funded during the first year but no longer in the program. It did not include interviews with two of the radio programs funded. The evaluation also included visits to project sites in Misque, Arani, the Chapare, and interviews with NGO beneficiaries.

C. Main Evaluation Findings and Recommendations

- This well managed and coordinated project is contributing as expected to CORDEP's goal to develop alternative income and employment to coca growing and processing in the Cochabamba region.
- Although all stated assumptions in the logical framework are still valid, it has now become apparent that the Cooperative Agreement needs to be reviewed to address the issue of the sustainability of the gains made in agricultural production and

productivity. To do this, farmers need continued access to agricultural production inputs and technical assistance. At present, the NGOs are the only source of technical assistance in most areas and for most farmers, as well as the only reliable providers of agricultural inputs. Consequently, their continuity is important to sustain and increase the gains being made by the farmers, at least until either the farmer themselves can provide these services through farmer associations or private firms. It is recommended, therefore, that CORDEP make changes in its NGO program that will help NGOs strive towards self-sufficiency.

- There is much room for improving coordination among all Mission activities within CORDEP and within alternative development. This is a complex project with multiple implementing institutions making coordination an especially difficult task. The most practical coordination mechanism to improve the NGO component's performance are: the renewal of consensus on the component among the key implementing institutions and the adaption of the IPDP by these institutions as their guide to action.
- NGOs (within and outside of CORDEP) are currently, in most areas, the only significant suppliers of inputs and technical assistance services in most farming areas. It is unlikely that either the state or private for-profit firms will enter the market in the near future. It is also unlikely that most farmer organizations would be able to supply these services as efficiently and at a lower cost than the NGOs. It is therefore important for CORDEP to review its NGO component strategy and policy to make it as easy as possible for the NGOs to develop and implement strategies for their own long-term sustainability.
- Current time limits are not adequate for meeting project goal and purposes. For all practical purposes, this (July 1993 to June 1994) is the second and last year of activities as conceived in the cooperative agreement. Without an extension of the NGO component to run until the PACD for CORDEP, there is a danger that most of the gains being made will not be consolidated and thus fail to contribute to the achievement of the goal and purpose of the project. USAID should consider funding the NGO during the remaining life of CORDEP.
- PA assistance has established a well designed and very detailed system for the administration of the component. The system is functioning well. PA staff is generally well regarded and respected by NGO staff. The few complaints seem to center not on technical or administrative issues, but on occasional overzealous project supervision. If USAID extends the life of the NGO component, it should also extend PA's cooperative agreement.
- In all crops attended by the NGOs, yields per hectare have increased significantly, in some cases doubling and tripling. These increases have been achieved by using high quality seeds (not even certified seeds), introducing new varieties and improved technologies, providing technical assistance through the production cycle, and by using unadulterated inputs provided by the NGOs. Although there is

direct impact on incomes from higher yields per hectare, the impact on the quality of life of the beneficiaries will take longer to be felt. Here, the challenge is to sustain income increases long enough to make a qualitative difference in the families.

- Of special note in the project selection criteria is the requirement that the project be clearly focussed on income increases and/or job creation and maintenance, and that the outputs be quantified. This requirement accounts for one of the most distinguishing characteristics of the CORDEP NGO component. The emphasis on productive projects, income increases, and job creation are contributing to the emergence of a new type of NGO—an NGO that specializes in agricultural technology transfer. This is a welcome development, as a growing number of NGOs dedicated to rural development tend to be general and broad focussed. This is also a welcome and timely development that adds to the efforts of agencies such as IBTA, CORDECO, and older NGOs.

D. Lessons Learned

CORDEP's NGO component is contributing to the emergence and consolidation of specialized and narrowly focussed NGOs that play a role in the small farmer sector as agricultural technology transfer agent and agricultural input provider. Both roles are important in areas and activities where neither the state nor the private-for-profit sector have a significant presence. These NGO will become more common as many donors and existing older NGOs shift their strategies from broad based integrated rural development activities with emphasis on education and community development to income and job producing projects. CORDEP's NGO experience can serve as a model for the Bolivian Government as it re-organizes and re-structures the IBTA and seeks effective models for a new national system for agricultural technology transfer.